

## Message Text

CONFIDENTIAL

PAGE 01 STATE 147778  
ORIGIN SS-25

INFO OCT-01 ISO-00 SSO-00 /026 R

DRAFTED BY:NEA/IAI:CHILL  
APPROVED BY:NEA/NVELIOTES  
NEA/IAI:WBSMITH II  
NEA/EGY:DZWEIFEL  
S/S-O:LFLEISCHER

-----016026 100418Z /62

O 100136Z JUN 78  
FM SECSTATE WASHDC  
TO AMEMBASSY TEL AVIV IMMEDIATE  
AMEMBASSY CAIRO

C O N F I D E N T I A L STATE 147778

EXDIS  
C O R R E C T E D C O P Y (CORRECTION PARA 2 LINE 6 AND 8.)  
E.O. 11652: GDS

TAGS: PBOR, ENRG, EG, US, IS

SUBJECT: GOI OIL EXPLOITATION IN OCCUPIED TERRITORY

REF: TEL AVIV 7180

1. DURING COURSE OF WEEK, EGYPTIAN EMBASSY TWICE RAISED WITH DEPARTMENT ISSUE OF ISRAELI EXPLOITATION OF OIL FIELDS IN OCCUPIED AREAS. FIRST SECRETARY EL-KOUEDI CALLED ON NEA/IAI TO PRESENT EGYPTIAN VIEW THAT OIL EXTRACTION ACTIVITY "CASTS DOUBT ON ISRAEL'S INTENTIONS" WITH REGARD TO PEACE PROCESS. AMBASSADOR GHORBAL SUBSEQUENTLY TELEPHONED VELIOTES TO EXPRESS GRAVE CONCERN ABOUT ISRAELI ACTIONS IN ALMA FIELD. GHORBAL PARTICULARLY WANTED TO KNOW WHETHER OUR JUNE 6 DEMARCHE TO GOI WAS PRESENTED TO TOP LEVELS OF FOREIGN MINISTRY. VELIOTES ASSURED HIM THAT  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 147778

CONTACT HAD BEEN MADE "AT THE DIRECTOR-GENERAL LEVEL."

2. IN ADDITION TO DISCUSSION WITH ATHERTON REPORTED REFTEL B, ISRAELI MINISTER BAR-ON ALSO COMPLAINED TO VELIOTES ABOUT PRESS SPOKESMAN'S STATEMENT ON THE POSITION ON EXPLOITATION OF SINAI OIL. IN COURSE OF RATHER SPIRITED EXCHANGE, VELIOTES NOTED:

-- NOT ALL LEGAL OPINIONS ON SUBJECT WERE "EQUAL" AS BAR-ON HAD CLAIMED; AS FAR AS US WAS CONCERNED, US LEGAL VIEW WAS CONTROLLING.

-- WE HAD CAUTIONED ISRAELIS NOT TO GO INTO PRODUCTION AT ALMA II BECAUSE WE WERE CONCERNED THAT THIS COULD ADD NEW, POTENTIALLY SERIOUS COMPLICATIONS TO ISRAELI-EGYPTIAN RELATIONS.

-- WE HAD JUST MADE A NEW DEMARCHE TO HIS GOVERNMENT OF WHICH HE WAS AWARE.

-- FINALLY, IT WAS UNREASONABLE NOT TO EXPECT US TO RESTATE OUR LEGAL POSITION WHEN ASKED, PARTICULARLY WHEN IT WAS ALREADY A MATTER OF PUBLIC KNOWLEDGE.

3. COMMENT: BAR-ON, OF COURSE, EXPRESSED GENERAL DIS-AGREEMENT WITH VARIOUS POINTS. EVEN ALLOWING FOR CONCERN EXPRESSED AS A RESULT OF DISTORTIONS IN AP ARTICLE, WE ARE PUZZLED BY BAR-ON'S REACTION. IT IS POSSIBLE THAT HE HAD RECEIVED REPORT OF EMBASSY'S DEMARCHE IN TERMS OF "PRO FORMA" DESCRIPTION AND THUS EXPECTED US TO TRY SWEEP UNDER RUG MAJOR DIFFERENCES BETWEEN US ON THIS SUBJECT IN PRESS BRIEFING.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 147778

4. IN ANY EVENT, WE ARE IMPRESSED BY SERIOUS AND COORDINATED MANNER IN WHICH GOE NOW ADDRESSING ISSUE OF ISRAELI EXPLORATION/EXPLOITATION ACTIVITIES IN SINAI AND GULF. WE WOULD APPRECIATE CAIRO'S EVALUATION OF POSSIBILITY THIS ISSUE COULD BECOME MAJOR COMPLICATION IN ISRAELI-EGYPTIAN CONTEXT IN NEAR FUTURE. VANCE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, WEST BANK, OIL FIELDS, MILITARY OCCUPIED AREAS, EXPLORATORY DRILLING  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 jun 1978  
**Decaption Date:** 20 Mar 2014  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE147778  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** NEA/IAI:CHILL  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780247-0049  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:**  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780673/aaaackmq.tel  
**Line Count:** 100  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** a4abbf8b-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN SS  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** EXDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** EXDIS  
**Reference:** 78 TEL AVIV 7180  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 02 aug 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2404334  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOI OIL EXPLOITATION IN OCCUPIED TERRITORY  
**TAGS:** PBOR, ENRG, EG, US, IS  
**To:** TEL AVIV CAIRO  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/a4abbf8b-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014